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FISCAL IMPACT REPORT

SPONSOR Nunez DATE TYPED 02-10-05 HB 542

SHORT TITLE Market New Mexico-Grown Wheat SB _____

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$50.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

No Responses Received From

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 542 – Making an Appropriation to Market New Mexico-Grown Wheat – appropriates \$50,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in FY06 for the Department of Agriculture to market New Mexico-grown wheat internationally and domestically. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues:

NMDA indicates that, at present, there is a push by USDA to develop value-added bio-fuels using bulk grains such as wheat. This funding will provide the New Mexico wheat industry needed resources to evaluate not only bio-fuels but other value-added activities.

NMDA further observes that the New Mexico wheat industry is extremely important to eastern and northeastern New Mexico, and that this funding will help stimulate the development of alternative markets and usage.

This project is not included in the *CHE 2005-2006 Higher Education Funding Recommendation*.

FISCAL IMPLICATIONS

The appropriation of \$50,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The New Mexico Department of Agriculture will retain oversight of this project.

CONFLICT, DUPLICATION, COMPANIONSHIP OR RELATIONSHIP

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

BFW/yr